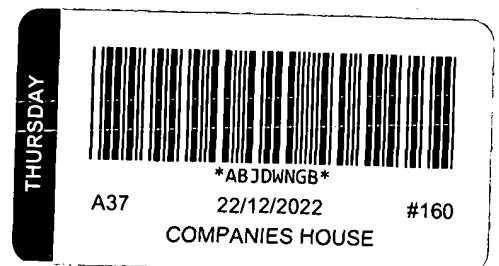


Company Registration Number: 07527108 (England & Wales)

**THE DENBIGH ALLIANCE**  
(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**



---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**CONTENTS**

---

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 20
Governance Statement	21 - 25
Statement on Regularity, Propriety and Compliance	26
Statement of Trustees' Responsibilities	27
Independent Auditor's Report on the Financial Statements	28 - 31
Independent Reporting Accountant's Report on Regularity	32 - 33
Statement of Financial Activities Incorporating Income and Expenditure Account	34 - 35
Balance Sheet	36 - 37
Statement of Cash Flows	38
Notes to the Financial Statements	39 - 67

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**REFERENCE AND ADMINISTRATIVE DETAILS**

---

<b>Members</b>	Mr S McGuire Mr T Naylor Mrs G Ferrari Mr D Lock
<b>Trustees</b>	Mr A Squires, CEO and Accounting Officer (deceased 8 January 2022) Mr W G Butler Ms S McGuire, (resigned as Chair 8th September 2021) (resigned 8 September 2021) Mrs M O'Brien Mr J R Cove, Chair of Trustees Mr W Preen Mr J Hand Mrs J Stayte (resigned 25 October 2021) Mrs M Jones (resigned 13 June 2022) Mr J Giles Mr I Joyce, CEO and Accounting Officer (appointed 14 March 2022) Mr M Bajwa-Patel (appointed 2 November 2022) Miss N Lewis (appointed 2 November 2022) Mrs E Bancroft (appointed 14 December 2022) Mr T Ashmore (resigned 1 February 2022)
<b>Company registered number</b>	07527108
<b>Company name</b>	The Denbigh Alliance
<b>Principal and registered office</b>	Burchard Crescent Shenley Church End Milton Keynes MK5 6EX
<b>Chief executive officer</b>	Mr I Joyce
<b>Senior management team</b>	Mr A Squires, CEO (deceased 8 January 2022) Mr I Bacon, Head of Watling Academy Dr A Frame, Head of Denbigh School Mr N Allan, CFO (not employed) (appointed 9 January 2022) Mr I Joyce, CFO (resigned 9 January 2022), CEO (appointed 9 January 2022)
<b>Independent auditor</b>	MHA MacIntyre Hudson Chartered Accountants Peterbridge House The Lakes Northampton NN4 7HB
<b>Bankers</b>	HSBC 63 George Street Luton LU1 2AR

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

<b>Solicitors</b>	Stone King LLP Wellington House East Road Cambridge CB1 1BH
-------------------	-------------------------------------------------------------------------

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Trust operates Denbigh School and Watling Academy for pupils aged 11 to 18 serving a catchment area to the western side of Milton Keynes. Its academies had a roll of 2,301 students on roll as at the Autumn School Census 2021.

**Structure, governance and management**

**a. Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the *primary governing documents* of the Academy Trust.

The Trustees of The Denbigh Alliance Limited are also the directors of the charitable company for the purposes of company law.

The charitable company operates as The Denbigh Alliance.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the reference and administrative details on page 1.

**b. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

**c. Trustees' indemnities**

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance is covered within the Trust's risk protection arrangements, which totalled £49,211.

**d. Method of recruitment and appointment or election of Trustees**

The Members of the Trust are responsible for the appointment of Trustees. The number of trustees shall be not less than three and shall be subject to a maximum of 12. The Board of Trustees has the remit of recruiting suitable candidates.

Provision is made for 2 local parent governors and two staff governors on each established Local Governing Body who will be appointed through an election process directed by the Local Governing Body. In the event that these positions are not filled, the Trustees are able to appoint to these positions.

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

#### Structure, governance and management (continued)

##### e. Policies adopted for the induction and training of Trustees

Trustees' appointments are based on the skills that they will bring and contribute towards the Trust's future, or based on a proposal to the Trustees, for example to work on a specific project. On appointment, trustees receive information relating to the Trust, attend a briefing and receive an induction pack and training on the role and responsibilities of governors.

During the year, Trustees are offered ongoing training, and all new and existing Trustees and local governors receive annual safeguarding training.

##### f. Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department for Education.

The governance and organisational structure is as follows:

Members (for the Multi Academy Trust)

Trustees (of the Multi Academy Trust)

Local School Boards (for each school within the Trust, currently Denbigh School and Watling Academy).

The Committees of the Trust are as follows:

- Audit and Risk Committee
- Care Committee (covering human resources, executive pay and Trustee recruitment)
- Education Committee (covering educational matters, results, and curriculum)
- Operations Committee (covering finance, health and safety, buildings.)
- Opportunity Committee (Ventures, growth of the Trust)
- Local School Board Committees (covering the operational activities of each school)

Committee minutes are published to the Board of Trustees, who meet on at least 3 occasions per year.

The Trust Board Terms of Reference determine the overriding structure and governance of the Trust and its schools. The scheme of delegation identifies responsibilities delegated throughout the Governance structure.

The day-to-day running of the Trust is delegated to the Chief Executive Officer (CEO), who is the Accounting Officer and the day-to-day running of the schools is delegated to the Heads of School.

##### g. Arrangements for setting pay and remuneration of key management personnel

The review and increases of pay for senior leadership personnel takes account of the performance of both the organisation's and individuals' results, and is measured using the Trust's Pay and Appraisal policies.

The CEO's and CFO's salaries, is reviewed by and approved by the Trust Board.

The Care Committee's remit is to review senior executive pay, in order to evaluate, determine and recommend senior pay levels and awards, and any appropriate advancements.

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Structure, governance and management (continued)****h. Trade union facility time****Relevant union officials**

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time** £

Total cost of facility time	857
Total pay bill	10,963,705
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
---------------------------------------------------------------------------------------------	-----

**i. Related parties and other connected charities and organisations**

W G Butler is a Trustees of The Denbigh Alliance and also a director of Shenley Leisure Centre Trust. The Academy Trust leases the leisure centre to Milton Keynes Council, who in turn, sub-let to the Shenley Leisure Centre Trust for a peppercorn rent. Details of transactions with the Trust in the year are disclosed in note 29 to the financial statements.

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Structure, governance and management (continued)**

**j. Engagement with employees (including disabled persons)**

Leaders communicate regularly with staff throughout the year. Regular briefings are held for staff, providing information and updates on matters concerning them, including safeguarding, health and safety and GDPR expectations.

Staff surveys are conducted regularly, allowing staff to put forward ideas and highlight areas of concern.

The Trust has a robust performance management process for all staff. This process is aligned to school's and trust objectives and ensures there is a common awareness of the part staff play in the achievements of the Trust.

The Trust has an Equality and Diversity policy, which ensures commitment to advancing and achieving equality of opportunity for all trust stakeholders.

The Trust's recruitment policy states that employees will be recruited solely based on work criteria and the applicant's abilities and individual merit. The Trust will ensure that disabled employees are not disadvantaged in any way. Staff who become disabled, so far as is practicable, should continue to remain employed by the Trust. The Trust will endeavour to make reasonable adjustments to ensure employees can remain employed.

**k. Engagement with suppliers, customers and others in a business relationship with the Academy**

The Trust recognises the need to foster good relationships with customers, suppliers and business relations. Our schools engage with their pupils through pupil voice activities, school councils and ad-hoc surveys, covering a range of school matters. We engage with parents through feedback surveys, pupil progress meetings, parent evenings, curriculum evenings and newsletters, in a cycle of continuous improvement of educational provision.

The Trusts financial regulations are robust and transparent and procurement processes are followed. Related party transactions are avoided where possible. The Trust endeavours to pay suppliers within their specific payment terms.

The Trust's intention is to continue to work closely with the local authority and central Government to ensure pupils receive the highest level of education.



---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Structure, governance and management (continued)**

**Objectives and activities**

**a. Objects and aims**

The Trust's object is to establish, maintain, carry on, manage and develop schools offering a broad and balanced curriculum by providing support for continual school improvement, raising outcomes, encouraging staff development and training whilst planning for measured growth over the next five years.

The Trust will promote, for the benefit of inhabitants of Milton Keynes, and the surrounding area, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The Trust's vision is to create a culture of success to extend lifetime opportunities for students and to do everything possible to encourage and succeed in providing this first-class educational experience. At the core of the Denbigh Alliance Multi Academy Trust are the values of Care, Education and Opportunity for young people.

Students are offered a supportive, positive, and dynamic learning environment that enables them to focus on their studies and extracurricular activities. As a result, students will achieve academic and technological excellence and extend their sporting, artistic and musical accomplishments.

The Trust fosters personal development that helps students to find meaning in their lives and respond with creativity and determination to the challenges that arise through the rapid pace of social change.

**b. Objectives, strategies and activities**

The Trust's objective for the year ended 31 August 2022 was to raise the attainment level of all students through care and wellbeing, curriculum structure, teaching and learning, and leadership development.

Student roll - the total number on roll for the period 1 September 2021 to 31 August 2022 was 2,301. This includes 476 in the Sixth Form at Denbigh School.

Admissions – Denbigh School is currently oversubscribed with more than 1,275 applications being received. In fact, almost one in every three Year 6 pupils applies for a school within the Trust, which compares to previous years. Watling Academy also had strong admission numbers, comfortably filling to the agreed PAN of 360 in Year 2 and taking the total PAN to 540 for the first two years.

Attendance – At Denbigh School the attendance levels were recorded at 90.8% for years 7 to 11 for the year to 31 August 2022 with the previous year at 92.1%. At Watling Academy the attendance level achieved for the year ending 31 August 2022 was 92.8% for the year to August 2022.

Staffing - the average number of teaching and admin/support staff employed during the year ended 31 August 2022 was 282 (2021: 249).

Staff turnover was 14.3% for the year (2021: 9%).

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

#### Objectives and activities (continued)

##### c. Public benefit

In setting our objective and planning out activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

#### Strategic report

##### Achievements and performance

##### a. Key performance indicators

The Trust schools offer a varied and knowledge-rich curriculum to all its students. The aim is to ensure an excellent education is delivered, based on providing the core knowledge that students will need to succeed throughout their lives.

The Trust's core purpose continues to be to combine the teaching of discipline-specific knowledge with the application of skills and understanding in a safe and secure environment across a broad range of subjects.

During the year, the central service team was strengthened to ensure the Trust is growth ready, and plans are underway to expand the size of the Trust and its schools over the next few years. The Trust senior management team includes a CEO (also a Trustee), Mr Ian Joyce who was appointed to the role after the sad passing of Mr Andy Squires, a CFO, Mr Norman Allan and two Heads of Schools, for Denbigh School, Dr Andrea Frame, and for Watling Academy, Mr Ian Bacon.

The Trust has reviewed its non-executive structure, and created Trust and relevant committees, with Local School Boards for each School within it to ensure the Trust's governance and leadership structure is in place for the two schools under management of the Trust.

Currently, the Denbigh Alliance MAT consists of two schools, Denbigh School and Watling Academy. Denbigh School is a large secondary school on the western flank of Milton Keynes. It has 1301 pupils in the main school and has the largest school Sixth Form in Milton Keynes with 476 students.

Denbigh School continues to thrive as part of the Trust, maintaining its popularity within the local and wider community, as the most over-subscribed secondary school in Milton Keynes.

Watling Academy as a new Free School, opened in September 2020 on the western flank of Milton Keynes and is based on the Whitehouse development. A strategic and operational plan was put in place to ensure the successful opening and all major milestones were achieved, welcoming the second cohort of Year 7 students (360) in September 2021. The Head of Watling Academy is Mr Ian Bacon, previously Senior Deputy Headteacher at Denbigh School. The curriculum offered at Watling is rich and deep, and has a strong STEM flavour, responding to local and national needs. Once full it will accommodate 1800 pupils aged 11-16.

Watling Academy has quickly established itself as a school of choice in Milton Keynes, rivaling Denbigh. It will, through its clear STEM focus, lead the way in innovative curriculum experiences supporting the highest achievements of pupils. 180 students joined the school in Year 7 on opening, 360 students started at Watling Academy in September 2021 and 300 in September 2022. In support of the school, the Trust will continue to work with Milton Keynes Council to ensure that the new build premises are of high quality and will allow the school to fulfil its mission to provide the highest quality of care, education and opportunity, in line with the aims of the Trust.

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

#### Strategic report (continued)

#### Achievements and performance (continued)

As a Trust, we are ambitious, and have a determination to spread the Denbigh ethos to as many local schools as possible to improve the life chances of an increasing group of young people in and around Milton Keynes.

#### Examination grades for GCSE, AS and A-Levels – Denbigh School

##### Review of Results

##### KS4 - GCSE

	2022	2021	2020	2019
A8 score/A*APS	5.40	5.24	5.33	5.28
Basic %4+	82.5%	81.5%	80.8%	78.0%
%5+	60.3%	59.1%	56.5%	60.5%
Ebacc APS	5.09	4.89	4.90	4.99
%4+	44.8%	45.2%	38.8%	42.1%
%5+	33.7%	33.6%	26.9%	26.3%

##### KS5 - A Level

	2022	2021	2020	2019
APS per entry score (grade)	35.7 (B-)	36.17 (B-)	34.16 (C)	30.13 (C)
APS best 3 entries score (grade)	36.3 (B-)	38.53 (B)	36.14 (C+)	32.93 (C)
% AAB+ in at least 2 facilitating subjects	18.3%	18.8%	16.5%	14.5%

##### KS5 - Applied General

	2022	2021	2020	2019
APS per entry score (grade)	31.3 (Dist-)	34.99 (Dist)	32.16 (Me+)	29.0 (Me+)

The Trust monitors Key Performance Indicators from both schools, to help inform performance. These are monitored by the CEO and also through the Operations and Education Committees.

The following are areas which are considered,

##### Education Committee

- Ofsted grade, annual Review grade, Pupil absence data, including persistent absenteeism, Permanent Exclusions Total, Fixed Term Suspensions Total, Parent, staff and pupil survey data illustrates satisfaction. Admissions - The number of first choice applications. Aptitude Test – applications Admissions- Number of Sixth Form applications (internal and external) against actual take up of places. Phonics screening check 80% and above 80% of children to attain age related standards by end of KS2 within Reading, Writing and Maths Expected progress in RWM Attainment 8
- Progress 8
- EBacc Average points score and % Entering EBacc
- Grade 5 and above in English and Maths (Basics) A Level progress score
- A Level Average grade
- A Level Average points
- Average class size (Main school)
- Average class size (Sixth Form)
- Achieving AAB equivalent or higher in at least 2 facilitating subjects
- Grade and points for students best three A levels
- Year 11 Destination - % Not in Education, Employment, Training [NEET]

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Strategic report (continued)**

**Achievements and performance (continued)**

**Operations Committee**

- Spend on teaching staff as a % of total expenditure
- Spend on supply staff as a % of total expenditure
- Spend on education support staff as a % of total expenditure
- Spend on administrative and clerical staff as a % of total expenditure
- Spend on other staff costs as a % of total expenditure
- Spend on premises (including staff costs) as a % of total expenditure
- Spend on teaching resources as a % of total expenditure
- Spend on energy as a % of total expenditure
- Other spending as a % of total expenditure (balancing line)
- Average teacher cost (£)
- Senior leaders as a % of workforce
- Pupil to teacher ratio
- Pupil to adult ratio
- Teacher contact ratio (less than 1.0)
- In-year balance as a percentage of total income
- Revenue reserve as a percentage of total income
- Budgeted in year surplus/deficit
- Posts advertised twice
- Retention of RQTs
- RIDDOR referrals
- Financial probity: red flags
- How much do we spend on staff development and courses?
- Pupil income per student over time
- Number of Teachers on M6 and above
- Grant funding awarded
- Free cash reserves year on year.
- Lettings income

**Care Committee**

- Absence Teachers (days & %s)
- Absence Support (days & %s)
- Absence Teachers (days & %s)
- Absence Support (days & %s)
- Staff male and female ratio (gender pay gap).
- Safeguarding incidents (These are referrals made to MASH)

**Governance – 100% skills coverage**

**Full Board**

- Ofsted grade
- Annual review grade
- Safeguarding incidents
- Well-being
- Number on roll
- Financial probity: no red flags

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

Strategic report (continued)

Achievements and performance (continued)

#### Denbigh School

The School was graded "Good" by Ofsted in 2019. The Fischer Family Trust (FFT) is the adopted performance measure and target monitoring tool and is used for all years (7 to 13). The targets provided by the Fischer Family Trust take into account past performance and the profile of student intake. Denbigh uses targets based on the Fischer Family Trust *Aspire 20* grading system (representing the top 20% of schools nationally) as a starting point for setting student targets. Average point score per entry (APS) for academic subjects was 35.70 in 2022 (36.17 in 2021). It should be remembered that 2019 was the last year that exams were taken prior to 2022. 2020 and 2021 grades were given by teachers due to COVID. Academic subjects include all A Levels Average point score for applied general subjects was 31.3% in 2022 (34.99 in 2021, 32.16 in 2020 and 29.68 in 2019). Applied general subjects include BTEC courses and Finance qualifications.

	2022	2021	2020	2019
<b>Academic</b>				
APS	35.70	36.17	34.4	31.69
APS as a grade	B-	B-	C+	C+
Number of students	200	211	218	189
<b>Applied General</b>				
APS	31.3	34.99	32.16	29.68
APS as a grade	Dist-	Dist-	Dist-	M+
Number of students	67	59	56	54

79% of Year 11 students choose to study at Denbigh's Sixth Form, and 94% of sixth formers secured a place at University/went on to university degree courses. Denbigh has the largest school Sixth Form in Milton Keynes with 476 students.

Attendance levels were recorded at 90.8% for Yr 7 – 11 (1/9/2021 – 31/8/2022) compared to 92.1% in 2020/2021. (Note: students on study leave are marked as authorised absence.)

#### Watling Academy

Watling Academy opened in September 2020 as a new Free School on the western flank of Milton Keynes and is based on the Whitehouse development. A strategic and operational plan was put in place to ensure the successful opening and all major milestones were achieved, welcoming the year 7 cohort of 180 students on 7 September 2020, 360 in September 2021 and 300 in September 2022. The Head of Watling Academy is Mr Ian Bacon, previously Senior Deputy Headteacher at Denbigh School. The curriculum offered at Watling is rich and deep, and has a strong STEM flavour, responding to local and national needs. Once full it will accommodate 1800 pupils aged 11-16.

Watling Academy has quickly established itself as a school of choice in Milton Keynes, rivalling Denbigh. It will, through its clear STEM focus, lead the way in innovative curriculum experiences supporting the highest achievements of pupils. In support of the school, the Trust will continue to work with Milton Keynes Council to ensure that the new build premises are of high quality and will allow the school to fulfil its mission to provide the highest quality of care, education and opportunity, in line with the aims of the Trust.

Attendance levels were recorded at 92.8% for Yr 7 – 8 (1/9/2021 – 31/8/2022).

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

#### Strategic report (continued)

#### Achievements and performance (continued)

##### Tommy Flowers SCITT

Graded Outstanding in 2017, the TFSCITT has completed its 7th year of operation in September 2022 having had another excellent and equally challenging as the previous year. Trainees continue to be positive in their praise of the programme. Trainee numbers have dipped slightly against expectations this year, but remain strong overall, with 41 planned to begin the programme from September 2022. We have maintained a steady number of Assessment Only candidates average around 6 over the last 3 years with another 6 anticipated this year.

The TFSCITT was visited by an external moderator, who gave a glowing report and was very impressed with the quality of training and mentoring provided by the TFSCITT and by the partnership schools. It was noted that the training was already using the new Core Content Framework for assessment, ahead of expectation of implementation and alongside working within the context of a global pandemic commended all involved.

From the 24 Secondary trainees last year, all found employment in Milton Keynes schools. One from the primary cohort moved out of the area for personal reasons, whilst the other 21 trainees found appointments within Milton Keynes schools. Last year, the TFSCITT partnered with Coventry University to act as their End Point Assessment Apprenticeship Provider. It is expected TFSCITT will assess 17 trainees per term this academic year.

##### Maths Hub

Denbigh School is the Strategic Lead School for the Enigma Maths Hub, which covers a geographical area including Milton Keynes, Buckinghamshire, North Northamptonshire, West Northamptonshire Central Bedfordshire, Bedford and Luton. The Maths Hub works to improve outcomes in mathematics for schools and pupils through high quality CPD for teachers across all phases from Early Years to Post 16.

The Hub draws its strategic partners from Teaching School Hubs across the region, links with Mathematical Associations such as the National Centre for Excellence in Teaching Mathematics (NCETM), Mathematics in Education and Industry (MEI) and the Advanced Maths Support Programme (AMSP). It also benefits from strategic links with Higher Education providers such as the Open University and the University of Northampton and Bedfordshire University.

The Hub has successfully completed eight years in operation, making demonstrable impact in development of mathematics teaching and opportunities in a wide range of contexts. Specifically, the Hub has addressed the following areas of National priority.

- Embedding a teaching for mastery approach to mathematics teaching in primary and secondary schools across the region
- Increasing participation in mathematical courses post 16 including A-level and Core Maths
- Developing pedagogical approaches to teaching mathematical from early years to post 16 including mathematical thinking, resilience, year 5-8 transition, challenging topics at GCSE, subject knowledge enhancement and early years.
- Establishing a Professional Learning Community of local leaders of mathematics education (LLME) within the region.
- Built leadership capacity across the region by providing professional development opportunities for future Work Group Leads, SLEs and other members of the LLME community.

---

**THE DENBIGH ALLIANCE**

*(A Company Limited by Guarantee)*

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Strategic report (continued)**

**Achievements and performance (continued)**

**Computing Hub**

The Denbigh School Computing Hub provides Professional Development for Computing Teachers across the region, (Milton Keynes and Northamptonshire) being part of a collaborative network of 39 Computing Hubs nationally.

The aim, whilst showcasing Denbigh School and Watling Academy, is to improve confidence, knowledge, and skills for teachers to teach computing effectively, and for this to have the best possible impact on students' learning and lifelong outcomes.

As this is the first full year of operation, and the nation is currently in a COVID situation, the Hub will see to further develop its online offer to strengthen computing teaching across the region.

**ECF Hub**

The ECF hub is working as a delivery partner for UCL in providing the Early Career Framework support for teachers who are starting out in their teaching career. This year was the first year of a two year induction programme and supported 67 teachers from schools in the Milton Keynes and wider area.

**b. Going concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Strategic report (continued)**

**Financial review**

The Trust's financial position demonstrates total income of £14,213,295 (excluding restricted fixed asset funds) with a deficit on 31 August of £345,543 (excluding restricted fixed asset funds and actuarial gains and losses in the year). The deficit has been allocated to reserves.

Reserves were utilised for ICT development and replacement, and for refurbishment, general repairs, and improvements to the facilities as part of the Trust's continuous improvement plan. This ensures the general decoration, maintenance and repairs are maintained at the highest standards.

The principal financial management policies adopted in the year are:

- conducting regular financial reviews of income and expenditure versus planned budgets at the Trustees' Operations Committee meetings;
- consideration as to whether the financial income demonstrates a robust and stable position enabling the provision of sufficient quality resources to fulfil the School's educational obligations;

Reserves carried forward at 31 August 2022 will be utilised as part of the medium and long term plans of the Trust to improve and update its educational resources, materials and equipment, and additionally provide a continuous improvement plan to maintain and repair the Estate and facilities. The Trust considers it prudent to maintain a level of reserves to cover unexpected or emergency issues.

**a. Reserves policy**

The level of reserves held at 31 August 2022 total £81,219,231 of which £525,056 are deemed to be free reserves. The reserves will be allocated and spent as part of a continuous improvement programme to improve, and maintain its facilities and resources. Reserves are utilised for capital expenditure projects to ensure the facilities are maintained and updated to the highest standards, and for IT replacement projects.

The Trust has recognised its share of the Local Government Pension Scheme (LGPS) assets and liabilities in accordance with Financial Reporting Standard FRS102.

At 31 August 2022 the total funds comprised:

	£
Unrestricted	525,056
Restricted Fixed asset funds	81,219,231
Pension Reserve	(850,000)
Other	826,386
Total funds	<u>81,720,673</u>

The deficit on the pension reserve relates to the nonteaching staff pension scheme where, unlike the teachers' scheme, separate assets are held to fund future liabilities as discussed in note 26. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the funds. Unrestricted funds are for the use of the general purposes of the academy trust, at the discretion of the Trustees. The aim of the Trustees is to maintain adequate levels of reserve to meet future working capital requirements.



---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

#### **b. Investment policy**

An Investment Policy has been adopted and implemented by the Trustees.

The aim of the policy is to ensure funds that the School does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the School's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The School does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

The School will, after constructing and reporting forecasts versus budgets consider whether it is prudent to deposit funds into an account where improved terms are offered. As improved terms are generally only offered where funds are invested for a fixed term.

#### **c. Principal risks and uncertainties**

The Trust has implemented a Risk Management Policy and Risk Register to assess and consider whether treatment or transfer of certain risks is necessary. The process has enabled the Trust to adopt a structure that considers risk and review in the decision-making process. The objectives are to determine an approach, and where it is considered necessary, put in place measures of control and mitigation in order to manage risk.

The principal risks are the loss of reputation of the Trust and its schools through falling standards, challenges to attracting additional schools to join the Trust, falling student rolls, and failure to safeguard the students of the Trust.

Key controls to mitigate risks are in place as follows:

1. An organisational structure with defined roles, and responsibilities as contained in the Trust's Terms of Reference document.
2. Terms of reference for the committees of the Trust and governing bodies of each school within it.
3. Annual Strategic planning events, together with setting annual objectives for the Trust, its senior leadership, and its schools, ensuring these are implemented and reviewed annually.
4. An Audit and Risk Committee of Trustees is implemented to provide strategic management, addressing principal risks, demanding reviews in particular areas, with where necessary, improved outcomes, and ensuring risk is considered prior to every decision made within the Trust.
5. Financial planning, budgeting, and regular management reporting highlighting areas of financial risk.
6. Formal written and published policies are in place for employees, that are regularly reviewed and updated.
7. Major infrastructure or ICT failures mitigated by preventative maintenance, strategic planning and disaster recovery procedures.
8. Vetting procedures as required by law for the protection of the vulnerable. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The Trust has in place risk-management procedures as outlined above, led by the Audit and Risk Committee of the Board. The Trustees have assessed the major risks to which the academy trust is exposed and conducted a formal review of the Trust's risk management process using the adopted Risk Register. The assessment of risks to the Trust, is formally reviewed in every Trust committee meeting and fed in centrally to the Trust Risk Register.

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

#### d. Risk Management

The Trustees have assessed the major risks to which the academy trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to mitigate any exposure to major risks.

A formal review of the Trust's risk management process is undertaken on an annual basis and key controls in place include:

1. The review of and adoption of a revised Risk Register and Risk Management Policy managed by the Audit and Risk Committee of Trustees.
2. The commissioning of a review of the Trust's governance by an independent organisation to ensure compliance across the Trust. This was carried out in March 2021, with a further review in December 2021.
3. All Committees instructed to have a formal standing agenda item to review pertinent risks relevant to the individual Committee's remit.
4. Formal agendas and minutes for all committee activity.
5. Principles of the Scheme of Delegation and Terms of reference for all Trustee meetings under the direction of the Board of Trustees.
6. Pecuniary interests of trustees reviewed and reported at each meeting.
7. Comprehensive budgeting and management reporting to the Resources Committee who recommend findings and recommendations to the Board of Trustees for approval or otherwise with instructions for actions and implementation.
8. Established organisational structure and clear lines of reporting. Formal written policies including a Risk Management Policy and Risk Register, both of which have been undergoing a comprehensive review to ensure both the policy and risk register and fit for purpose and for the future as the Trust grows.
9. Clear segregation, authorisation and approval levels as defined in the Trust's Finance Manual (policy).
10. Recruiting the quality and quantity of staff required, where possible leveraging the benefits from the SCITT. An ongoing review of recruitment methodology is in place.

As part of the reorganisation of governance, a Risk and Audit Committee commenced operations in September 2018, and have conducted a review of the Trust's approach to risk including managing and upgrading the Risk Register and Risk Management Policies, and embedding "risk" into every agenda at Trustee meetings to consider the most significant risks to the organisation, and the approach, direction and action implemented to mitigate.

The Alliance has taken on RSM to undertake a number of internal audits and they reviewed the risk management processes which resulted in a positive outcome.

#### Fundraising

The Trust's approach to fund raising is that bids for funds must only be submitted to bona-fide organisations, and that funds raised must be used for the benefit of student' education or activities aligned to their education.

The students of the Trust participate in and raise funds for local charities. Funds raised by the students are paid directly to the charities for which funds are collected.

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Streamlined energy and carbon reporting**

The Academy's greenhouse gas emissions and energy consumption are as follows:

	2022	2021
Energy consumption used to calculate emissions (kWh)	2,820,390	2,342,006
Energy consumption breakdown (kWh):		
Gas	1,595,359	1,638,711
Electricity	1,225,031	703,295
Transport fuel	6,000	3,000
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	291.22	299.13
Owned transport	6.75	3.38
<b>Total scope 1</b>	<b>297.97</b>	<b>302.51</b>
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	236.90	136.00
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	1.61	-
<b>Total gross emissions (in tonnes of CO2 equivalent):</b>	<b>536.48</b>	<b>438.51</b>
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.23	0.23

The Academy has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

#### Plans for future periods

##### Trust objectives

The Aim of the Denbigh Alliance MAT is to provide the best possible education to students between the ages of 3-19. The Denbigh Alliance will focus on educational establishments within a 10-mile radius of Denbigh School, in schools where it can make a significant difference to the progress and attainment of students through the application of the Denbigh Ethos. The Alliance aims to grow at a sustainable pace, and the current intention to grow to no larger than 10 schools by 2025.

Walling Academy continues to develop with a vision of Care, Education and Opportunity. Further work is in process and timelines are being agreed in terms of procurement of contracts and services, and the ongoing recruitment of staff. Ultimately the goal is to provide a Sixth Form within the Alliance for Walling Academy students by 2025.

Plans for developing and improving results and outcomes include the following:

##### Teaching and Learning

- To continue to develop and improve the quality and consistency of teaching and learning, to improve progress for all groups of students.
- To continue to implement and monitor new systems for monitoring teaching and learning and to provide enhanced support and development to optimise student outcomes.
- To continue with the robust assessment and reporting systems based on 9-1 grading, providing continuity from years 7-11, enabling both teachers, students, and parents to track progress.
- To collaborate between schools to achieve the points above. Personal development, behaviour, and welfare.

To continue to embed the values of engagement, respect, kindness and to do no harm, under the Trust ethos of Care, Education and Opportunity.

To continue with the training and development of anti-bullying ambassadors across the Trust.

To develop increased opportunities to promote success through systems for strengthening House ethos, plus building and celebrating positive mindsets where students strive for and value success.

A new collaboration sees the Trust heading the Milton Keynes Early Careers Framework.

##### Maths Hub objectives

Maths Hub objectives are built around key National collaborative projects and identified local priorities that will be addressed through professional learning activities both in and outside the classroom. A vital part of our work this year will be developing networks of local leaders of mathematics education (LLME) and ensuring that mathematics SLEs are up to date with the latest pedagogical developments.

The Maths Hub Network provides school-based system leadership to enable the continuous improvement of mathematics education for all pupils and students in all England's schools and colleges. Maths Hubs work with teachers and leaders across all phases, from Reception through to Post-16.

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

#### Plans for future periods (continued)

The strategic goals for 2020 through to 2023 are summarised as follows:

1. To provide support for participating schools to introduce, embed and sustain teaching for mastery with fidelity and consistency, encouraging the effective use of high-quality resources.
2. To work with schools to address specific challenges as they seek to embed and sustain teaching for mastery (for example mixed-age classes or same-day intervention for supporting pupils with SEND).
3. To support teachers and leaders in post-16 schools and colleges to increase participation in Level 3 mathematics education and enhance the quality of teaching at all levels so that students studying mathematics at post-16 make good progress and are well prepared for their future education and career pathways.
4. To develop and support local leaders of maths education (LLME).
5. To run Maths Hub Work Groups to enable schools to work together over a sustained period led by a teacher expert, whose expertise is in both mathematics education and in leading teacher professional development.

By 2023 the aim is for the vast majority of schools to regularly participate in a Maths Hub Work Group and understand how participation can become a routine, ongoing part of their approach to professional and school development in mathematics.

#### SCITT Objectives

The SCITT begins its eighth year in September 2022 after securing significant successes since its inception in September 2015.

The TFSCITT retains its core objectives at the heart of everything that it does.

- To provide a healthy supply of trained teachers for Milton Keynes schools
- To ensure that trainees receive the highest quality training
- To ensure that TFSCITT maintains the highest standards for entry into the teaching profession
- To ensure that the TFSCITT remains financially viable through effective recruitment

Alongside these core aims the TFSCITT will aim this year to.

- Adjust the training programme to reflect the new Core Content Framework
- To adjust the programme to ensure that it is aligned with the new OFTSED Inspection Framework for ITT providers
- To recruit healthy numbers – bursaries and financial support have been cut significantly. This will provide a significant challenge for recruitment this year

#### Computing Hub Objectives

The Denbigh school Computing Hub provides professional development for computing teachers across the region being part of a collaborative network of 39 computing hubs nationally. The objective is to improve confidence, knowledge and skills for teachers to teach computing effectively and for this to have the best possible impact on students learning and lifelong outcomes. Post covid the challenge is to open doors at secondary schools in particular to complement the success with CSA teachers and priority primary schools.

#### ECF Hub Objectives

The core objective is to build on the initial success and bring a new cohort through for its first year alongside the initial cohort completing their second year.

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Funds held as custodian on behalf of others**

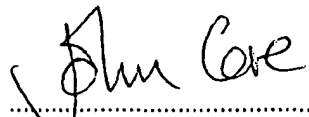
Denbigh School operates a School Fund account within the Trust for the purpose of managing income and expenditure for trips, activities and other events undertaken for students. The income, expenditure and fund balances are included in the year end accounts of the academy trust for the year ended 31 August 2022.

**Disclosure of information to auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on \_\_\_\_\_ and signed on its behalf by:

  
.....  
Mr J. Cove  
Chair of Trustees

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**GOVERNANCE STATEMENT**

---

**Scope of responsibility**

As trustees we acknowledge we have overall responsibility for ensuring that The Denbigh Alliance has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Denbigh Alliance and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 8 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr J R Cove, Chair	8	8
Mrs M O'Brien	7	8
Mr J Hand	8	8
Mr W G Butler	5	8
Mr J Giles	5	8
Mr A Squires, CEO & Accounting officer (deceased 8 January 2022)	3	4
Mr W Preen	8	8
Mr I Joyce, CEO & Accounting officer (appointed 14 March 2022)	4	4
Mr T Ashmore (resigned 1 February 2022)	4	4
Mrs M Jones (resigned 13 June 2022)	5	6
Mrs J Stayte (resigned 25 October 2021)	0	3

The Board of Trustees consider it important that the quality and breadth of experience and competence of the Trustees is vital in ensuring a robust review of both financial and educational data.

The Board commissioned an external review of governance by the NGA in March 2021 and an interim review in December 2021. It is anticipated this this will be repeated on 3-5 year cycle.

Attendance at the Trust's Audit and Risk Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr W Preen	5	5
Mrs M Jones (resigned 13 June 2022)	4	4
Mrs M O'Brien	5	5
Mr J R Cove	1	5
Mr A Squires (deceased 8 January 2022)	2	3
Mr I Joyce (appointed 14 March 2022)	1	1

Attendance at the Trust's Care Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr W Preen	3	3
Mr J Giles	3	3
Mr J R Cove	0	3
Mr A Squires (deceased 8 January 2022)	1	1
Mrs J Stayte (resigned 10 October 2021)	0	1
Mr I Joyce (appointed 14 March 2022)	2	2
Mrs M O'Brien (Trustee attending for quorum)	1	1

Attendance at the Trust's Opportunities Committee meetings in the year was as follows:



---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (continued)**

Trustee	Meetings attended	Out of a possible
Mr W G Butler	3	3
Mr J Hand	3	3
Mr J R Cove	1	3
Mr I Joyce (appointed 14 March 2022)	2	2

Attendance at the Trust's Education Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Giles	1	1
Mrs M Jones (resigned 13 June 2022)	1	1
Mr J R Cove	0	1
Mr A Squires (deceased 8 January 2022)	0	0
Mr I Joyce (appointed 14 March 2022)	1	1

Attendance at the Trust's Operations Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Hand	3	3
Mr W G Butler	3	3
Mr J R Cove	0	3
Mrs M O'Brien	3	3
Mr A Squires (deceased 8 January 2022)	0	1
Mr I Joyce (appointed 14 March 2022)	1	1

**Conflicts of interest**

The Trustees are subject to procedures to avoid any action, position or interest that conflicts with an interest of the Trust or gives the appearance of a conflict. Each Trustee must disclose any conflict of interest relating to a matter to be discussed at a meeting, as soon as the member becomes aware of the conflict. The respective member must not participate in the discussion and decision-making involving the interest at stake.

Transactions that constitute, or may be perceived to be a conflict of interest are generally avoided and none have taken place during the year.

**Governance review**

In December 2021 the trust commissioned and NGA progress report on the effectiveness of Governance. The findings of the report were:

"The board has been totally refreshed and is now lead by a highly competent and knowledge chair. There is now an increased diversity of perspectives from people of different professional backgrounds and experience of working on other boards. The chair is ably supported by an experienced and highly skilled vice-chair. The culture of the board and its working relationship with the executive is now characterised by partnership working, strategic thinking and focus and clearly understood arrangements for robust scrutiny related to oversight, assurance and accountability.

The trust has put in place a range of governance systems and processes to secure effective governance and has implemented (wholly or partially) all of the thirty four recommendations. Where implementation is not fully secured there are time specific plans to achieve this. Some of the recommendations that have now been fully implemented now need to be fully embedded into the working culture and processes of the governance arrangements over the next eighteen months.

The governance of the trust is now effective and is fit for purpose for its planned growth to increase incorporate additional schools."

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (continued)****Review of value for money**

As Accounting Officer, the CEO has responsibility for ensuring that the Academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Conducting regular reviews with Heads of Schools to review each school's financial position and forecast versus the annual budgets, taking any necessary action to manage expenditure.
- Presenting monthly management accounts to the chair of the Trustees and to the meetings of the Trustees, for scrutiny and review.
- A continuous review approach is in place regarding operational expenditure and is imbedded into the organisation's approach. Examples include the implementation of rigorous reviews of vacant staff positions to consider updating the ways of working and operational infrastructure. The site teams continue to review the structure and expenditure relating to the site and premises, wherever possible considering whether the training and development of staff serves to create efficient use of resources.
- Utilising trust side procurement opportunities for licenses and other purchases where economies of scale can be achieved.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Denbigh Alliance for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The risk and control framework**

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**The risk and control framework (continued)**

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The Board of Trustees has decided to employ RSM as internal auditor.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

On a termly basis, the reviewer reports to the board of Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Two audits were carried out during the year 1 September 2021 to 31 August 2022 and findings were reported to Trustees. There were two material control issues arising as a result of the work, which have since been addressed.

**Review of effectiveness**

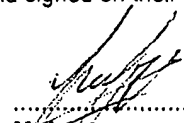
As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

  
.....  
Mr J R Cove  
Chair of Trustees

  
.....  
Mr F Joyce  
Accounting Officer

Date: 14<sup>th</sup> DECEMBER 2022

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---


STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

---

As Accounting Officer of The Denbigh Alliance I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.

  
.....  
Mr. Joyce

Accounting Officer

Date: 14<sup>th</sup> DECEMBER 2022

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2022

---

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees and signed on its behalf by:



.....  
Mr J Cove  
Chair of Trustees

Date: 14<sup>th</sup> December 2022

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE DENBIGH ALLIANCE**

---

**Opinion**

We have audited the financial statements of The Denbigh Alliance (the 'academy') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

---

**THE DENBIGH ALLIANCE**

*(A Company Limited by Guarantee)*

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE DENBIGH ALLIANCE (CONTINUED)**

---

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE DENBIGH ALLIANCE (CONTINUED)

---

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.



---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

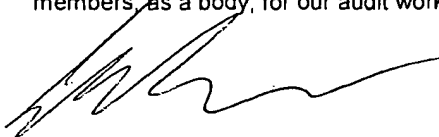
---

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
DENBIGH ALLIANCE (CONTINUED)

---

*Use of our report*

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Guy Hodgkinson BA ACA (Senior Statutory Auditor)**

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants

Statutory Auditors

Northampton

Date: 20/12/22.

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DENBIGH ALLIANCE AND THE EDUCATION AND SKILLS FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated 18 June 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Denbigh Alliance during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Denbigh Alliance and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Denbigh Alliance and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Denbigh Alliance and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Denbigh Alliance's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Denbigh Alliance's funding agreement with the Secretary of State for Education dated [enter date here] and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DENBIGH ALLIANCE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

---

**Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors

Date: 20/12/2022

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>						
Donations and capital grants:	3					
Transfer in Watling Academy		-	-	-	-	55,779,188
Other donations and capital grants		-	-	257,943	257,943	761,541
Other trading activities	6	126,696	1,019,845	-	1,146,541	1,124,880
Charitable activities	5	149,998	12,916,876	-	13,066,874	11,046,377
Teaching schools		-	(120)	-	(120)	66,376
<b>Total income</b>		<b>276,694</b>	<b>13,936,601</b>	<b>257,943</b>	<b>14,471,238</b>	<b>68,778,362</b>
<b>Expenditure on:</b>						
Raising funds	8	-	1,288,319	-	1,288,319	1,054,228
Charitable activities		-	13,237,531	1,793,803	15,031,334	12,785,833
Teaching schools		-	32,988	-	32,988	44,672
<b>Total expenditure</b>	7	<b>-</b>	<b>14,558,838</b>	<b>1,793,803</b>	<b>16,352,641</b>	<b>13,884,733</b>
<b>Net income/ (expenditure)</b>		<b>276,694</b>	<b>(622,237)</b>	<b>(1,535,860)</b>	<b>(1,881,403)</b>	<b>54,893,629</b>
Transfers between funds	19	-	(182,371)	182,371	-	-
<b>Net movement in funds before other recognised losses</b>		<b>276,694</b>	<b>(804,608)</b>	<b>(1,353,489)</b>	<b>(1,881,403)</b>	<b>54,893,629</b>
<b>Other recognised losses:</b>						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	5,634,000	-	5,634,000	(212,000)
<b>Net movement in funds</b>		<b>276,694</b>	<b>4,829,392</b>	<b>(1,353,489)</b>	<b>3,752,597</b>	<b>54,681,629</b>

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022

---

Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Reconciliation of funds:					
Total funds brought forward	248,362	(4,853,006)	82,572,720	77,968,076	23,286,447
Net movement in funds	276,694	4,829,392	(1,353,489)	3,752,597	54,681,629
Total funds carried forward	<u>525,056</u>	<u>(23,614)</u>	<u>81,219,231</u>	<u>81,720,673</u>	<u>77,968,076</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 39 to 67 form part of these financial statements.

---

**THE DENBIGH ALLIANCE****(A Company Limited by Guarantee)  
REGISTERED NUMBER: 07527108**

---

**BALANCE SHEET  
AS AT 31 AUGUST 2022**

---

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	15	80,182,490	80,895,585
<b>Current assets</b>			
Debtors	16	385,615	1,082,594
Cash at bank and in hand	24	3,646,247	3,076,755
		<u>4,031,862</u>	<u>4,159,349</u>
Creditors: amounts falling due within one year	17	(1,628,679)	(1,462,358)
<b>Net current assets</b>		<u>2,403,183</u>	<u>2,696,991</u>
<b>Total assets less current liabilities</b>		<u>82,585,673</u>	<u>83,592,576</u>
Creditors: amounts falling due after more than one year	18	(15,000)	(22,500)
<b>Net assets excluding pension liability</b>		<u>82,570,673</u>	<u>83,570,076</u>
Defined benefit pension scheme liability	26	(850,000)	(5,602,000)
<b>Total net assets</b>		<u><u>81,720,673</u></u>	<u><u>77,968,076</u></u>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	81,219,231	82,572,720
Restricted income funds	19	826,386	748,994
		<u>82,045,617</u>	<u>83,321,714</u>
Restricted funds excluding pension asset	19	82,045,617	83,321,714
Pension reserve	19	(850,000)	(5,602,000)
<b>Total restricted funds</b>	19	<u>81,195,617</u>	<u>77,719,714</u>
Unrestricted income funds	19	525,056	248,362
<b>Total funds</b>		<u><u>81,720,673</u></u>	<u><u>77,968,076</u></u>

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)  
REGISTERED NUMBER: 07527108

---

BALANCE SHEET (CONTINUED)  
AS AT 31 AUGUST 2022

---

The financial statements on pages 34 to 67 were approved by the Trustees, and authorised for issue and are signed on their behalf, by:



.....  
Mr J R Cove  
Chair of Trustees

Date: 14<sup>th</sup> December 2022

The notes on pages 39 to 67 form part of these financial statements.

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	1,397,257	(310,250)
Cash flows from investing activities	23	(822,765)	52,227
Cash flows from financing activities	22	(5,000)	(5,000)
Change in cash and cash equivalents in the year		569,492	(263,023)
Cash and cash equivalents at the beginning of the year		3,076,755	3,339,778
Cash and cash equivalents at the end of the year	24, 25	<u>3,646,247</u>	<u>3,076,755</u>

The notes on pages 39 to 67 form part of these financial statements



---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**1. Accounting policies**

The Denbigh Alliance is a private company limited by guarantee and incorporated in England and Wales. The registered office is Denbigh School, Burchard Crescent, Shenley Church End, Milton Keynes, MK5 6EX.

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

All incoming resources are recognised when the Academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**1. Accounting policies (continued)**

**1.3 Income (continued)**

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy has provided the goods or services.

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Expenditure on raising funds**

This includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

• **Charitable activities**

These are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- 2%
Long-term leasehold property	- 0.8 - 2%
Furniture and equipment	- 20%
Plant and machinery	- 10%
Computer equipment	- 33.33%

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.9 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

Cash at bank - classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**1. Accounting policies (continued)**

**1.10 Pensions**

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**1.11 Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to the students are excluded from the Statement of Financial Activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 30.

**1.12 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

**Depreciation and residual values**

The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that the asset lives and residual values are appropriate.

3. Income from donations and capital grants

	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants	-	-	55,779,188
Capital Grants	257,943	257,943	761,541
	<u>257,943</u>	<u>257,943</u>	<u>56,540,729</u>

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

4. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	149,998	12,916,876	13,066,874	11,046,377

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

5. Funding for the Academy's educational operations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	11,623,696	11,623,696	9,623,861
Other DfE/ESFA grants				
Pupil Premium	-	312,500	312,500	221,361
Rates Relief	-	-	-	50,436
Other ESFA income	-	481,595	481,595	222,838
Teachers pension grant	-	-	-	509,338
	-	12,417,791	12,417,791	10,627,834
<b>Other Government grants</b>				
Other government grants	-	-	-	16,035
ISP income	-	246,102	246,102	321,473
ECF	-	98,668	98,668	-
	-	344,770	344,770	337,508
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up/Recovery Premium	-	114,707	114,707	21,350
	-	114,707	114,707	21,350
<b>Other income</b>				
Music income	30,884	-	30,884	26,900
Other income	119,114	39,608	158,722	32,785
	149,998	39,608	189,606	59,685
	149,998	12,916,876	13,066,874	11,046,377

---

**THE DENBIGH ALLIANCE****(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**6. Income from other trading activities**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings income	126,696	-	126,696	14,819
Maths Hub	-	490,569	490,569	562,919
Computer Hub	-	207,890	207,890	139,034
SCITT	-	321,386	321,386	408,108
	<u>126,696</u>	<u>1,019,845</u>	<u>1,146,541</u>	<u>1,124,880</u>

**7. Expenditure**

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on raising voluntary income:					
Direct costs	-	-	1,288,319	1,288,319	1,054,228
Educational Activities:					
Direct costs	8,614,258	-	620,989	9,235,247	8,355,625
Allocated support costs	2,555,769	2,201,156	1,039,162	5,796,087	4,430,208
Teaching school	19,472	-	13,516	32,988	44,672
	<u>11,189,499</u>	<u>2,201,156</u>	<u>2,961,986</u>	<u>16,352,641</u>	<u>13,884,733</u>



---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

8. Expenditure on raising funds

Other trading expenses

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
SCITT	396,911	396,911	307,817
Maths Hub	490,569	490,569	450,255
Computer Hub	144,204	144,204	53,496
Trading staff costs	256,635	256,635	242,660
	<u>1,288,319</u>	<u>1,288,319</u>	<u>1,054,228</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational Activities	<u>9,235,247</u>	<u>5,796,087</u>	<u>15,031,334</u>	<u>12,785,833</u>

---

**THE DENBIGH ALLIANCE****(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**9. Analysis of expenditure by activities (continued)****Analysis of support costs**

	<b>Activities 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Pension finance costs	89,000	89,000	73,000
Staff costs	2,555,769	2,555,769	2,172,696
Depreciation	1,793,803	1,793,803	1,309,669
Technology costs	265,508	265,508	170,137
Premises costs	710,799	710,799	383,662
Other support costs	341,893	341,893	300,314
Governance costs	39,315	39,315	20,730
	<u>5,796,087</u>	<u>5,796,087</u>	<u>4,430,208</u>

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2022 £</b>	<b>2021 £</b>
Depreciation of tangible fixed assets	1,793,803	1,309,669
Fees paid to auditor for:		
- audit	12,500	12,000
- other services	7,000	6,750
	<u>12,500</u>	<u>18,750</u>

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	7,576,040	7,153,710
Social security costs	813,033	705,555
Pension costs	2,574,632	2,146,280
	<u>10,963,705</u>	<u>10,005,545</u>
Agency staff costs	225,794	157,876
	<u><u>11,189,499</u></u>	<u><u>10,163,421</u></u>

**b. Staff numbers**

The average number of persons employed by the Academy during the year was as follows:

	2022	2021
	No.	No.
Teachers	132	118
Admin and support staff	136	117
Management staff	14	14
	<u>282</u>	<u>249</u>

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**11. Staff (continued)**

**c. Higher paid staff**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	7	6
In the band £70,001 - £80,000	3	3
In the band £90,001 - £100,000	3	2
In the band £125,001 - £130,000	-	1

**d. Key management personnel**

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £512,721 (2021 - £515,594).

**12. Central services**

The Academy has provided the following central services to its academies during the year:

- Human resources including payroll
- Financial management and reporting
- Legal services
- IT services
- Risk management
- Corporate governance
- Health and safety

The Academy charges for these services on the following basis:

4.5% of GAG is recharged (2021: 4.5%).

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Denbigh School	403,993	414,265
Watling Academy	119,147	48,548
<b>Total</b>	<b>523,140</b>	<b>462,813</b>

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
Mr A Squires, CEO and Accounting Officer (deceased 8 January 2022)	Remuneration	40,000 -	125,000 -
		45,000	130,000
	Pension contributions paid	10,000 -	25,000 -
		15,000	30,000
Mr I Joyce (appointed 14 March 2022)	Remuneration	45,000 -	N/a
		50,000	
	Pension contributions paid	10,000 -	N/a
		15,000	

During the year, retirement benefits were accruing to no Trustees (2021 - none) in respect of defined benefit pension schemes.

During the year ended 31 August 2022, expenses totalling £190 were reimbursed or paid directly to 2 Trustees (2021 - £NIL to no Trustee).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

---

**THE DENBIGH ALLIANCE****(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**15. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 September 2021	31,256,635	55,779,188	1,103,885	368,639	1,569,116	90,077,463
Additions	615,714	-	200,701	-	264,293	1,080,708
At 31 August 2022	<u>31,872,349</u>	<u>55,779,188</u>	<u>1,304,586</u>	<u>368,639</u>	<u>1,833,409</u>	<u>91,158,171</u>
<b>Depreciation</b>						
At 1 September 2021	6,875,176	46,245	990,585	168,947	1,100,925	9,181,878
Charge for the year	547,512	976,850	32,736	28,433	208,272	1,793,803
Transfers between classes	(442,180)	442,180	-	-	-	-
At 31 August 2022	<u>6,980,508</u>	<u>1,465,275</u>	<u>1,023,321</u>	<u>197,380</u>	<u>1,309,197</u>	<u>10,975,681</u>
<b>Net book value</b>						
At 31 August 2022	<u>24,891,841</u>	<u>54,313,913</u>	<u>281,265</u>	<u>171,259</u>	<u>524,212</u>	<u>80,182,490</u>
At 31 August 2021	<u>24,381,459</u>	<u>55,732,943</u>	<u>113,300</u>	<u>199,692</u>	<u>468,191</u>	<u>80,895,585</u>

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

16. Debtors

	2022 £	2021 £
<b>Due within one year</b>		
Trade debtors	120,688	86,251
Other debtors	46,140	73,585
Prepayments and accrued income	218,787	922,758
	<u>385,615</u>	<u>1,082,594</u>

17. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	7,500	5,000
Trade creditors	182,978	356,381
Other taxation and social security	198,467	188,262
Other creditors	323,901	218,781
Accruals and deferred income	915,833	693,934
	<u>1,628,679</u>	<u>1,462,358</u>

	2022 £	2021 £
Deferred income at 1 September	402,508	540,308
Resources deferred during the year	402,492	402,508
Amounts released from previous periods	(402,508)	(540,308)
	<u>402,492</u>	<u>402,508</u>

Deferred income held at the balance sheet date includes grant income and trip income relating to the 2022/23 academic year as well as clawback income for underspends on the Maths Hub, SCITT and Teaching School.

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**18. Creditors: Amounts falling due after more than one year**

	2022 £	2021 £
Other loans	15,000	22,500

The loans included two separate salix loan agreements with ESFA and are both repayable over 8 years.

**19. Statement of funds**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
General Fund	248,362	276,694	-	-	-	525,056
<b>Restricted general funds</b>						
General Annual Grant (GAG)	88,908	11,623,696	(11,377,168)	(182,371)	-	153,065
Pupil Premium	-	312,500	(312,500)	-	-	-
LA income	-	246,102	(246,102)	-	-	-
Other ESFA income	13,786	596,302	(596,302)	(13,786)	-	-
MK-ECF	-	98,668	(80,094)	-	-	18,574
S.C.I.T.T	184,424	321,386	(396,911)	-	-	108,899
Teaching School	291,167	(120)	(32,988)	-	-	258,059
Maths Hub	83,576	490,569	(490,569)	-	-	83,576
Computer Hub	87,133	207,890	(144,204)	-	-	150,819
Miscellaneous income	-	39,608	-	13,786	-	53,394
Pension reserve	(5,602,000)	-	(882,000)	-	5,634,000	(850,000)
	(4,853,006)	13,936,601	(14,558,838)	(182,371)	5,634,000	(23,614)



---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**19. Statement of funds (continued)****Restricted fixed  
asset funds**

Restricted fixed asset fund	80,895,585	-	(1,793,803)	1,080,708	-	80,182,490
ESFA Capital	649,061	42,943	-	(615,714)	-	76,290
New Build grant	238,004	-	-	-	-	238,004
Wating	790,070	215,000	-	(282,623)	-	722,447
	<u>82,572,720</u>	<u>257,943</u>	<u>(1,793,803)</u>	<u>182,371</u>	<u>-</u>	<u>81,219,231</u>
<b>Total Restricted funds</b>	<u>77,719,714</u>	<u>14,194,544</u>	<u>(16,352,641)</u>	<u>-</u>	<u>5,634,000</u>	<u>81,195,617</u>
<b>Total funds</b>	<u>77,968,076</u>	<u>14,471,238</u>	<u>(16,352,641)</u>	<u>-</u>	<u>5,634,000</u>	<u>81,720,673</u>

The specific purposes for which the funds are to be applied are as follows:

The transfer of £182,371 between the General Annual Grant and the restricted fixed asset funds represents amounts capitalised during the period.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy via the Education and Skills Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the Academy.

Pupil Premium is a grant allocated to academies with pupils that are known to be eligible for free school meals. The purpose is to raise attainment for pupils from low income families.

Teaching School is funded by grants and tuition fees in order to offer training courses to teachers. The funds remaining at the year end will be used to support future training requirements.

The pension reserve represents the net deficit on the LGPS defined benefit pension scheme. The deficit arose because of the pension scheme deficit inherited upon conversion. Future GAG funding agreed by the ESFA is expected to be sufficient to take the fund back into surplus.

The restricted fixed asset fund includes the freehold property and all other fixed assets. Depreciation charged on the assets is allocated to the fund.

The funds held in Restricted Fixed Asset funds are to provide for planned capital expenditure on improvements to the building and premises. Such expenditure is becoming necessary, and it is vital to ensure reserves are available, as the building ages, and improvements required are not eligible for CIF grants.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

Comparative information in respect of the preceding year is as follows:

---

**THE DENBIGH ALLIANCE****(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**19. Statement of funds (continued)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
General Fund	173,858	74,504	-	-	-	248,362
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	9,623,861	(9,496,119)	(38,834)	-	88,908
Pupil Premium	-	221,361	(221,361)	-	-	-
Other ESFA income	-	798,647	(784,861)	-	-	13,786
MK-ECF	-	321,473	(321,473)	-	-	-
S.C.I.T.T	156,482	408,108	(380,166)	-	-	184,424
Teaching School	269,463	66,376	(44,672)	-	-	291,167
Maths Hub	83,058	562,919	(562,401)	-	-	83,576
Computer Hub	59,760	139,034	(111,661)	-	-	87,133
Walling	(64,426)	-	-	64,426	-	-
COVID catch-up premium	-	21,350	(21,350)	-	-	-
Pension reserve	(4,759,000)	-	(631,000)	-	(212,000)	(5,602,000)
	<u>(4,254,663)</u>	<u>12,163,129</u>	<u>(12,575,064)</u>	<u>25,592</u>	<u>(212,000)</u>	<u>(4,853,006)</u>

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

19. Statement of funds (continued)

**Restricted fixed  
asset funds**

Restricted fixed asset fund	25,716,752	55,779,189	(1,309,669)	709,313	-	80,895,585
ESFA Capital	62,496	761,540	-	(174,975)	-	649,061
New Build grant	238,004	-	-	-	-	238,004
Watling	1,350,000	-	-	(559,930)	-	790,070
	<u>27,367,252</u>	<u>56,540,729</u>	<u>(1,309,669)</u>	<u>(25,592)</u>	<u>-</u>	<u>82,572,720</u>
<b>Total Restricted funds</b>	<u>23,112,589</u>	<u>68,703,858</u>	<u>(13,884,733)</u>	<u>-</u>	<u>(212,000)</u>	<u>77,719,714</u>
<b>Total funds</b>	<u><u>23,286,447</u></u>	<u><u>68,778,362</u></u>	<u><u>(13,884,733)</u></u>	<u><u>-</u></u>	<u><u>(212,000)</u></u>	<u><u>77,968,076</u></u>

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**19. Statement of funds (continued)****Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Denbigh School	103,593	123,782
Watling Academy	54,929	10,484
Central Services	1,192,920	863,090
Total before fixed asset funds and pension reserve	1,351,442	997,356
Restricted fixed asset fund	81,219,231	82,572,720
Pension reserve	(850,000)	(5,602,000)
<b>Total</b>	<b>81,720,673</b>	<b>77,968,076</b>

**Total cost analysis by academy**

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Denbigh School	6,738,966	1,536,389	110,271	1,311,029	9,696,655	9,824,725
Watling Academy	1,956,650	808,404	58,460	765,052	3,588,566	1,637,378
Central Services	194,749	145,782	-	933,086	1,273,617	1,112,961
<b>Academy</b>	<b>8,890,365</b>	<b>2,490,575</b>	<b>168,731</b>	<b>3,009,167</b>	<b>14,558,838</b>	<b>12,575,064</b>

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	80,182,490	80,182,490
Current assets	540,056	2,455,065	1,036,741	4,031,862
Creditors due within one year	-	(1,628,679)	-	(1,628,679)
Creditors due in more than one year	(15,000)	-	-	(15,000)
Provisions for liabilities and charges	-	(850,000)	-	(850,000)
<b>Total</b>	<b>525,056</b>	<b>(23,614)</b>	<b>81,219,231</b>	<b>81,720,673</b>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	80,895,585	80,895,585
Current assets	248,362	2,233,852	1,677,135	4,159,349
Creditors due within one year	-	(1,462,358)	-	(1,462,358)
Creditors due in more than one year	-	(22,500)	-	(22,500)
Provisions for liabilities and charges	-	(5,602,000)	-	(5,602,000)
<b>Total</b>	<b>248,362</b>	<b>(4,853,006)</b>	<b>82,572,720</b>	<b>77,968,076</b>

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

21. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,881,403)	54,893,629
<b>Adjustments for:</b>		
Depreciation	1,793,803	1,309,669
Capital grants from DfE and other capital income	(257,943)	(761,541)
Transfer on conversion	-	(55,779,188)
Defined benefit pension scheme cost less contributions payable	781,000	554,000
Defined benefit pension scheme finance cost	101,000	77,000
Decrease/(increase) in debtors	696,979	(806,037)
Increase in creditors	163,821	202,218
<b>Net cash provided by/(used in) operating activities</b>	<b>1,397,257</b>	<b>(310,250)</b>

22. Cash flows from financing activities

	2022 £	2021 £
Repayments of borrowing	(5,000)	(5,000)
<b>Net cash used in financing activities</b>	<b>(5,000)</b>	<b>(5,000)</b>

23. Cash flows from investing activities

	2022 £	2021 £
Purchase of tangible fixed assets	(1,080,708)	(709,314)
Capital grants from DfE Group	257,943	761,541
<b>Net cash (used in)/provided by investing activities</b>	<b>(822,765)</b>	<b>52,227</b>

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**24. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand and at bank	3,646,247	3,076,755
<b>Total cash and cash equivalents</b>	<b>3,646,247</b>	<b>3,076,755</b>

**25. Analysis of changes in net debt**

	At 1 September 2021 £	Cash flows £	Other non- cash changes £	At 31 August 2022 £
Cash at bank and in hand	3,076,755	569,492	-	3,646,247
Debt due within 1 year	(5,000)	5,000	(7,500)	(7,500)
Debt due after 1 year	(22,500)	-	7,500	(15,000)
	<b>3,049,255</b>	<b>574,492</b>	<b>-</b>	<b>3,623,747</b>

---

## THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

---

#### 26. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Buckinghamshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £193,704 were payable to the schemes at 31 August 2022 (2021 - £190,341) and are included within creditors.

#### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.



---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

26. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,319,986 (2021 - £1,224,280).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £554,000 (2021 - £468,000), of which employer's contributions totalled £437,000 (2021 - £364,000) and employees' contributions totalled £117,000 (2021 - £104,000). The agreed contribution rates for future years are 21 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65
Commutation of pensions to lump sums	50.00	50.00

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2022	2021
	Years	Years
Retiring today		
Males	21.0	21.6
Females	24.6	25.0
Retiring in 20 years		
Males	22.3	22.9
Females	26.0	26.4

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**26. Pension commitments (continued)****Sensitivity analysis**

	2022 £000	2021 £000
Discount rate -0.1%	159	249
Discount rate +0.1%	(155)	(274)
Mortality assumption - 1 year increase	199	494
Mortality assumption - 1 year decrease	(193)	(474)
CPI rate +0.1%	153	255
CPI rate -0.1%	(193)	(249)

**Share of scheme assets**

The Academy's share of the assets in the scheme was:

	At 31 August 2022 £	At 31 August 2021 £
Equities	3,321,000	3,171,000
Gilts	476,000	529,000
Other bonds	760,000	822,000
Property	385,000	352,000
Cash and other liquid assets	146,000	59,000
Alternative assets	257,000	59,000
Hedge funds	-	294,000
Absolute return portfolio	-	587,000
Multi asset credit	539,000	-
Private debt	80,000	-
<b>Total market value of assets</b>	<b>5,964,000</b>	<b>5,873,000</b>

The actual return on scheme assets was £(375,000) (2021 - £878,000).

---

THE DENBIGH ALLIANCE

(A Company Limited by Guarantee)

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

---

26. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2022 £	2021 £
Current service cost	(1,226,000)	(918,000)
Interest income	101,000	77,000
Interest cost	(190,000)	(150,000)
Administrative expenses	(4,000)	(4,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(1,319,000)</b>	<b>(995,000)</b>

Changes in the present value of the defined benefit obligations were as follows:

	2022 £	2021 £
<b>At 1 September</b>	<b>11,475,000</b>	<b>9,377,000</b>
Current service cost	1,226,000	918,000
Interest cost	190,000	150,000
Employee contributions	117,000	104,000
Actuarial (gains)/losses	(6,110,000)	1,017,000
Benefits paid	(84,000)	(91,000)
<b>At 31 August</b>	<b>6,814,000</b>	<b>11,475,000</b>

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2022 £	2021 £
<b>At 1 September</b>	<b>5,873,000</b>	<b>4,618,000</b>
Interest income	101,000	77,000
Actuarial (losses)/gains	(476,000)	805,000
Employer contributions	437,000	364,000
Employee contributions	117,000	104,000
Benefits paid	(84,000)	(91,000)
Administration costs	(4,000)	(4,000)
<b>At 31 August</b>	<b>5,964,000</b>	<b>5,873,000</b>

---

**THE DENBIGH ALLIANCE**

(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

The amounts recognised in the Balance Sheet are as follows:

	2022 £	2021 £
Closed defined benefit obligation	(6,814,000)	(11,475,000)
Closing fair value of scheme assets	5,964,000	5,873,000
	<u>(850,000)</u>	<u>(5,602,000)</u>

Total remeasurements recognised in Other Comprehensive Income:

	2022 £	2021 £
Changes in financial assumptions	5,821,000	(1,334,000)
Changes in demographic assumptions	310,000	119,000
Other remeasurements	(497,000)	1,003,000
	<u>5,634,000</u>	<u>(212,000)</u>

**27. Operating lease commitments**

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	1,461	2,361
Later than 1 year and not later than 5 years	2,922	4,383
	<u>4,383</u>	<u>6,744</u>

**28. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

---

**THE DENBIGH ALLIANCE**

**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**29. Related party transactions**

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

Facilities of Shenley Leisure Centre are shared between the academy and Shenley Leisure Centre Trust Limited where a Trustee is common in both entities. During the year the academy received income of £78,920 (2021: £47,185) in relation to lettings income and recharging the utility costs of the shared access areas. The academy also paid £Nil (2021: £2,904) to Shenley Leisure Centre Trust Limited as their share of any repairs and cleaning costs incurred.

A close family member of A Squires, a Trustee during the year, was employed by the Academy Trust as a Teacher. The appointment was made in open competition and A Squires was not involved in the decision making process regarding the appointments. The individual concerned was paid within the normal pay scale for their role, and they received no special treatment as a result of their relationship to a Trustee.

**30. Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the Trust received £22,257 (2021: £27,022) and disbursed £14,817 (2021: £30,511) from the fund. An amount of £7,440 (2021: £nil) is included in other creditors relating to undistributed funds.